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(2) ODA strategy needs a blueprint

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(2) Use Ashikaga case tapes for improving investigations

Yomiuri:
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Nikkei:
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(1) Summon Ozawa to testify before Diet
(2) Worker Dispatch Law amendment might deprive people of opportunities to work

Tokyo Shimbun:
(1) Nago's decision clearly reflects its opposition to Futenma relocation within Okinawa
(2) Conduct intensive deliberations early on question of politics and money

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3) Strong reaction to Chief Cabinet Secretary Hirano's remark on not taking Nago mayoral election result into account in determining Futenma relocation site

MAINICHI (Top play) (Full)
January 26, 2010

Ai Yokota, Shinichiro Nishida, Teruhisa Mimori, Yoshichika Imoto

The Japan-U.S. agreement to relocate the U.S. forces' Futenma Air Station (in Ginowan City, Okinawa) to the coastal area of Camp Schwab (in Henoko, Nago City) has become difficult to implement with the election of a mayor opposed to the relocation in the recent ballot. However, Chief Cabinet Secretary Hirofumi Hirano stated at a news conference on Jan. 25 that "there is no reason why (the election result) should be taken into account." While it is believed that this statement was out of consideration for the U.S. side, which is demanding the implementation of the agreement, there has been a backlash from Okinawa and within the ruling parties. No solution is yet in sight to the debate on Futenma's relocation out of Okinawa set off by the Hatoyama administration.

Nago's mayor-elect Susumu Inamine expressed his displeasure with Hirano's remark on Jan. 25, saying: "I hope he understands that with the outcome of the mayoral election, the situation has changed. People who conduct politics ought to value the popular will." The citizens of Nago were made to take sides because the Hatoyama

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administration could not decide on a policy. The government's attitude of giving little importance to this "popular will" and retaining the Henoko relocation plan as one of its options prompted Governor Hirokazu Nakaima, who accepts the Henoko plan with minor modifications, to express his doubts: "(Relocation) will be difficult without the local leader's understanding and cooperation."

Meanwhile, the Social Democratic Party (SDP) and the People's New Party (PNP), riding on the momentum of the victory in the mayoral election, are pressing the government to withdraw the Henoko plan. SDP leader Mizuho Fukushima stressed to reporters on Jan. 25 that "this carries weight as the popular will." PNP policy chief Mikio Shimoji also said: "It is absurd to discuss this issue without giving importance to the popular will. We are no longer starting from scratch."

The Democratic Party of Japan also feels that the fact that the government does not seem to welcome the victory of Inamine, whom the DPJ endorsed, and insists on not eliminating the Henoko plan as an option and "considering (the relocation site) from scratch" is an indication that the issue is at a stalemate. It is near impossible to find a new relocation site and obtain the approval from the local community and the U.S. by May, which is the deadline for a solution to this issue. Responding to queries from Mainichi Shimbun on Jan. 25, the public affairs office of the U.S. Marines in Okinawa said, "We believe that the existing Henoko relocation plan will be adopted."

Hirano chairs the Okinawa base issues examination committee of the government and the ruling parties. He was wary that if he showed an attitude of attaching great importance to the outcome of the Nago mayoral election, there might be an avalanche in favor of relocation out of Okinawa, which could disrupt relations with the U.S. He stressed again at his news conference on the afternoon of Jan. 25 that the relocation issue will be approached from scratch, saying: "I can understand that (the election result) is a manifestation of popular will. But if we always take into account a city's saying 'no,' then the question is 'where do we take (the replacement facility)?' "

It is believed that Hirano wants to continue to have a free hand before identifying Futenma's relocation site at one fell swoop. Prime Minister Yukio Hatoyama, who pledged Futenma's relocation out of Okinawa or out of Japan during the House of Representatives election, told reporters on the evening of Jan. 25: "I regard the choice made by the citizens of Nago as an expression of their will. We would like to consider this issue from scratch," repeating his ambiguous statement.

4) Ozawa refers to his supervisory responsibility

YOMIURI (Top play) (Excerpts)
January 26, 2010

Democratic Party of Japan Secretary General Ichiro Ozawa held yesterday his first regular press conference since submitting to questioning by the Tokyo Public Prosecutors Office in connection with a violation of the Political Funds Control Law by his fund management organization, Rikuzan-kai. Ozawa referred to his supervisory responsibility over his secretary and others who have been arrested in connection with the case. The DPJ kingpin stopped

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short of mentioning exactly how he is going to take his responsibility.

The press conference was held at DPJ headquarters. "It is a fact that I have left (the management of political funds) to those in charge," Ozawa said about his supervisory responsibility over his secretary and others, now under arrest. "If they made mistakes, then I naturally hold some responsibility as head (of the fund management organization)."

5) Gov't to set up Okinawa panel

SANKEI (Page 5) (Full)
January 26, 2010

The government held a cabinet ministerial meeting yesterday to discuss key policies, with relevant ministers attending. In the meeting, the cabinet ministers concurred on launching a panel at an early date for the government to hold consultations with officials from Okinawa Prefecture and its base-hosting municipalities on economic development measures for Okinawa. Chief Cabinet Secretary Hirofumi Hirano will study the panel's framework and its discussion topics, and then present them at a cabinet ministerial meeting. The government set up a similar consultative body with Okinawa's prefectural and municipal officials when the Abe cabinet came into office to discuss a package of economic development measures for the prefecture's northern districts hosting U.S. military bases. At the time, the government's implementation of those economic development measures for the prefecture's base-hosting localities was premised on their acceptance of the government's proposal to relocate the U.S. military's Futenma airfield facility from its current location in the prefecture's central city of Ginowan to the prefecture's northern coastal city of Nago. The government will revamp this panel as a new consultative body separate from the Futenma relocation issue and coordinate to discuss economic development measures for Okinawa as a whole.

6) Japan, U.S. to step up cooperation against cyber attacks

TOKYO SHIMBUN (Page 2) (Abridged)
Eve., January 25, 2010

The government decided today to step up Japan's cooperation with the United States in the area of policy planning to counter cyberattacks that have been spreading globally via the Internet to damage computer systems. In early February, Japan will host a cybersecurity meeting with the United States in Tokyo for the first time since the Hatoyama cabinet came into office to exchange information and discuss specific countermeasures.

Recently, Google, the U.S. Internet search engine giant, is said to have come under cyber attack from China. This has developed into a diplomatic issue between the United States and China. The case is also expected to be discussed at the planned cybersecurity meeting.

According to government sources, the intergovernmental meeting will be held with working-level officials from the Cabinet Secretariat of the Japanese government and the U.S. Department of Homeland Security. In the meeting, the Japanese and U.S. governments will discuss countermeasures against cyber attacks. In addition, the two governments are also expected to consult on such issues as cybersecurity awareness to prevent cyber attacks.

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7) Government to dispatch 300 SDF personnel to Haiti for PKO mission

ASAHI (Top play) (Excerpts)
January 26, 2010

The Hatoyama cabinet decided yesterday on a policy of dispatching Self-Defense Forces (SDF) personnel to quake-devastated Haiti for the purpose of humanitarian rehabilitation support based on the UN Peacekeeping Operations (PKO) Cooperation Law. The government will send a Ground Self-Defense Force engineering unit comprising about 300 personnel. Chief Cabinet Secretary Hirofumi Hirano revealed this at a press conference yesterday.

Japan will dispatch SDF engineering personnel overseas for the first time since it withdrew from the UN Mission in East Timor (UNMIET) in 2004.

Prime Minister Yukio Hatoyama told the press corps yesterday evening: "There is work to be done in clearing rubble and building housing. We are considering sending engineers there."

Following the UN Security Council resolution adopted Jan. 19 to increase the number of personnel for PKO by 3,500, the government has been looking into the possibility of dispatching SDF personnel to the region. The government's policy was approved yesterday by the cabinet committee on basic policy matters comprising representatives from the three ruling parties. After the policy was approved, Defense Minister Toshimi Kitazawa ordered the SDF to prepare to join the UN mission.

The SDF engineering units to be dispatched will join the UN Stabilization Mission in Haiti (MINUSTAH), which has been carrying out activities in Haiti since the country was hit by the earthquake. After discussing with the UN side such matters as the type of operations, regions, and the number of SDF personnel, the cabinet will decide on an implementation plan. The SDF engineering units will be dispatched in early February at the earliest.

8) Japanese, Russian vice foreign ministers exchange views

NIKKEI (Page 2) (Full)
January 26, 2010

Administrative Vice Foreign Minister Mitoji Yabunaka and Russian First Deputy Foreign Minister Andrey Denisov yesterday held their 7th round of strategic dialogue in Tokyo. The two diplomats exchanged views over the Northern Territories issue and North Korea's nuclear ambitions. In connection with the regular foreign ministerial talks on the territorial dispute held last December in Moscow, they apparently arranged to hold the second round of the talks during the first half of this year in Tokyo between Foreign Minister Katsuya Okada and Foreign Minister Sergey Lavrov.

9) Japanese, Chinese governments agree to support media exchange

NIKKEI (Page 2) (Full)
January 26, 2010

The governments of Japan and China yesterday held in Beijing a meeting of their Foreign Ministry Press Bureau director generals.

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According to a briefing by the Japanese side, the two governments agreed to positively support exchange between the Japanese and Chinese media. They also agreed to provide the media with timely and accurate information. Talks between press bureau directors general of the two countries began in 2006. Press Secretary Kazuo Kodama from the Japanese side and Chinese Foreign Ministry Spokesman Ma Zhaoxu attended yesterday's session, the fourth meeting of this kind.

10) Central Japan Railway to promote linear motor car and Shinkansen technologies in U.S.

ASAHI (Page 1) (Slightly abridged)
January 26, 2010

Central Japan Railway Company revealed yesterday that it will promote its linear motor car and Shinkansen technologies for the U.S. market as part of its plan to export high-speed railway systems. The company is eyeing three routes for exporting linear motor-powered trains. The U.S. government has reportedly decided to invest 8 billion dollars in the nation's railway consolidation projects as economic stimulus measures. The company will make efforts to persuade the U.S. to adopt the Shinkansen technology for a route in Florida first.

The Japanese railway operator plans to sell the linear motor technology to the U.S. for three routes: a route covering 65 kilometers between Washington and Baltimore (Maryland), a route covering 200 kilometers between Chattanooga (Tennessee) and Atlanta (Georgia), and a route in Pennsylvania. The company is also eager to export the Shinkansen technology to the U.S. for a route covering 530 kilometers from Tampa to Miami in Florida via Orlando; a route covering 440 kilometers between Las Vegas (Nevada) and Los Angeles (California); a route in Texas; and a route in the Midwest.

In Japan, demand for high-speed rail services has reached a plateau, but the market overseas has been burgeoning in view of environmental protection and other reasons. Central Japan Railway has decided to export Japan's top-of-the-line linear motor car technology, in addition to its Shinkansen technology. The company has surveyed more than about 150 locations across the world, mainly in the U.S., since last August, in hopes of capitalizing on the surging market overseas.

Central Japan Railway will promote the technologies to the U.S., in cooperation with U.S.-Japan High-Speed Rail Co., a company that markets its Shinkansen technologies exclusively, and another American firm. In a press conference yesterday, U.S. Japan High-Speed Rail Co. President Richard Lawless, a former senior U.S. government official, revealed that the company has already contacted concerned U.S. government officials on this matter, remarking: "I believe the goal will be attained." He said that Washington will soon announce several routes targeted for its investment.

Central Japan Railway is aiming to export not only trains but its entire operation system, including signal technology. The company has offered technical assistance in the past, winning the contract for the Taiwan High Speed Rail service, which was launched in 2007. The vehicle for the high-speed railway service between Beijing and Tianjin in China, which was launched in 2008, was developed based on the Tohoku Shinkansen "Hayate."

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11) Number of foreign tourists visiting Japan drops for first time in six years

MAINICHI (Page 3) (Exerpts)
January 26, 2010

Tsuyoshi Terada

The number of foreign tourists who visited Japan in 2009 dropped 1.56 million, or 18.7 percent, from the previous year to 6.79 million, the first decrease in six years and the largest drop since the government began collecting data in 1964, the Japan National Tourism Organization said yesterday. The decrease is attributable to such factors as the global recession following the Lehman shock, the spread of the new strain of influenza, and the yen's appreciation.

The figure marked a year-on-year drop every month for a record 15 consecutive months between August 2008 and October 2009. The number fell more than 30 percent from May through June when the new flu infection spread. Exchangerates have been stable since November

2009, and the number increased owing to an increase in the number of tourists from South Korea and Australia.

The number of tourists from South Korea, the country topping the list of visitors to Japan, fell 33.4 percent, and Taiwan, ranked second, dropped 26.3 percent. All in all, the number of tourists fell 1.16 million. Meanwhile, China, to which Japan just started issuing tourist visas last July, ranked third with 1.006 million tourists. China is the only country among the major countries and areas that saw an increase in the number of people traveling to Japan.

12) Magazine sales in 2009 fall for 12th consecutive year

ASAHI (Page 12) (Excerpt)
Evening, January 25, 2010

The Research Institute for Publications, based in Tokyo, announced yesterday that the estimated sales amount of books and magazines recorded at distributors in 2009 was 1,935.6 billion yen, marking the first time in 21 years that the annual sales amount has fallen below 2 trillion yen. The sales amount is about 82 billion yen, or 4.1 PERCENT, less than that in 2008. The sales of magazines, which accounted for nearly 60 PERCENT of the total, have dropped for 12 years in a row. The estimated sales volume of books also recorded its largest ever drop. The drop in sales has been compensated for by raising magazine prices.

13) National debt likely to reach 973 trillion yen at end of fiscal 2010: Per-capital debt comes to 7.63 million yen

NIKKEI (Page 5) (Full)
January 26, 2010

It seems likely that the total amount of the national debt will reach its highest-ever level of 973.1625 trillion yen at the end of fiscal 2010. This was revealed in budgetary reference data that the Finance Minister submitted to the Diet on Jan. 25. Per-capita debt will reach roughly 7.63 million yen, based on the estimate that the nation's population as of Jan. 1 is 127.47 million.

The national debt constitutes the total amount of government debt

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combining government bonds, borrowings and short-term government securities. It is expected to have exceeded the 900 trillion yen level for the first time at the end of fiscal 2009. The amount at the end of fiscal 2010 will further exceed that figure by 73.248 trillion yen.

The sharp increase in government debt is ascribable to the issuance of government bonds worth a record high of approximately 44.3 trillion in the initial budget to finance a revenue shortage in the fiscal 2010 draft budget. In order to shore up the economy, the government has repeatedly engaged in major public spending requiring the issuance of government bonds. As a result, the national debt has continued to set new highs.

14) Finance Minister Kan to make request to BOJ in economic speech

NIKKEI (Page 5) (Full)
January 26, 2010

Deputy Prime Minister and Finance Minister Naoto Kan on Jan. 25 finalized a draft of an economic policy speech to be delivered on the 29th. He will stress a stance of making efforts to achieve fiscal health, noting that elevating fiscal discipline and securing trust in state finances will lead to ensuring the people's peace of mind with respect to the future and become a basis for a vigorous society and economy. In the speech, which he will deliver as the state minister for economic and fiscal policy, Kan will make an unprecedented request to the Bank of Japan (BOJ), noting that he will expect the BOJ to undergird the economy through appropriate and flexible management of financial policy.

In the fiscal speech, with the Liberal Democratic Party (LDP) in mind, he will criticize the existing policy management, using such words as "dependence on public works" and "excessive market fundamentalism." He will come up with a policy stance of "using knowledge to find a third way to create jobs and demand."

Concerning the fiscal 2010 draft budget, he will announce that although the government will issue government bonds worth a record 44 trillion yen, it has secured fiscal resources without depending on an increase in the issuance of government bonds. For a tax code revision, the speech will incorporate a plan to look into a system of common numbers for tax payments and social security, referring to the need to reform expenditures and revenues as a package.

He will explain in the economic policy speech that the present economic situation is still severe. Regarding the future of the economy, Kan will point out that there is the risk of pushing the economy downward, citing a further increase in unemployment, concern about downside risk factors in economic conditions abroad, and deflation.

He will also announce that he will give priority to nominal economic indexes, which are directly connected with the people's livelihood, in economic and fiscal management.

ROOS